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THE

Livestock and Wool

SITUATION

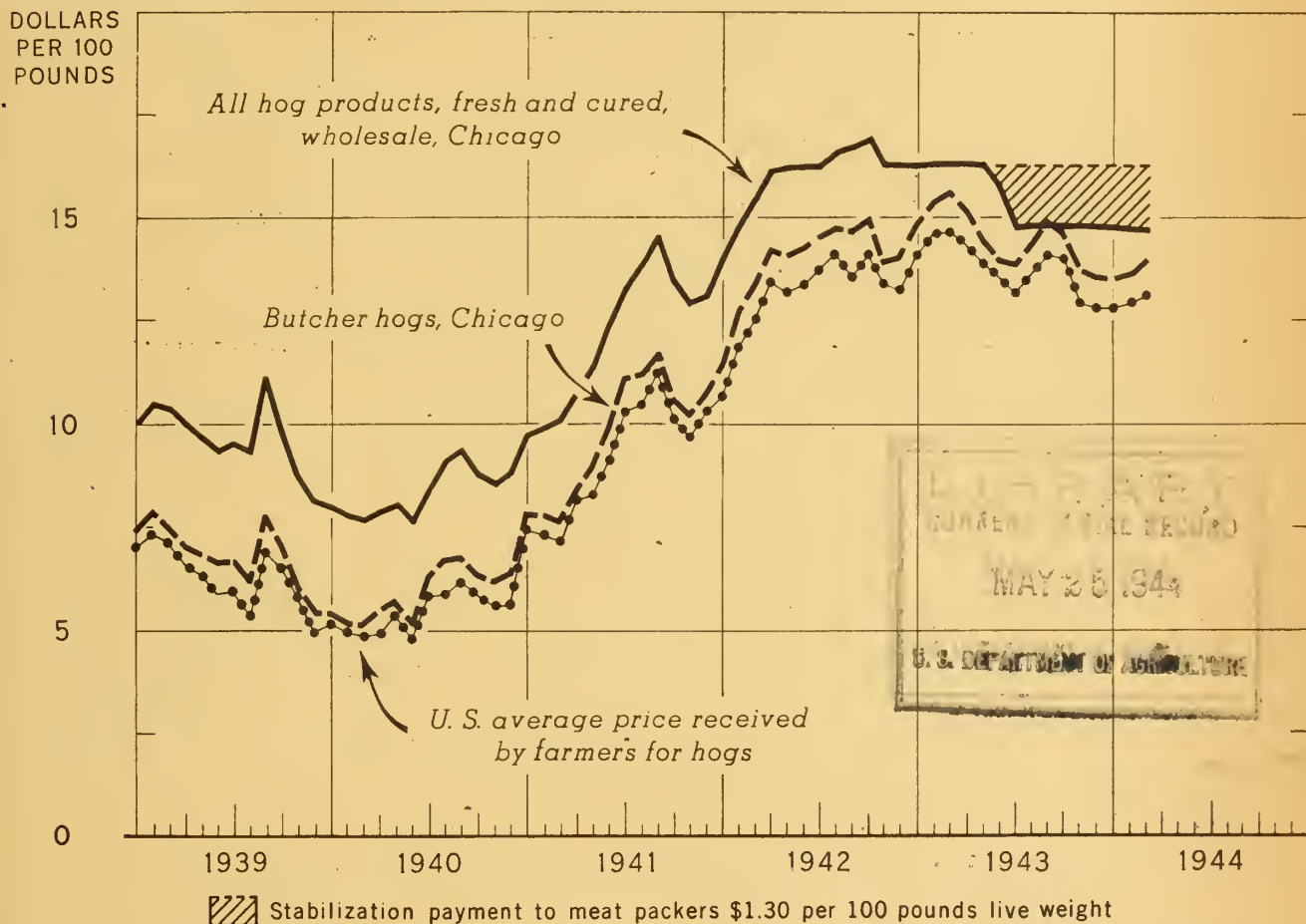
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

LWS-24



APRIL 1944

PRICES OF HOGS AND HOG PRODUCTS, 1939-44



U. S. DEPARTMENT OF AGRICULTURE

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BUREAU OF AGRICULTURAL ECONOMICS

Since April 1942 prices received by packers for hog products have been stabilized within a narrow range except for a rise in price in August-October 1942. The imposition of dollars-and-cents ceiling prices on wholesale pork products in November 1942 turned back this upward trend. Stabilization payments to meat packers, accompanied by a reduction in wholesale price ceilings for pork, account for the sharp reduction in the price of pork products since June 1943. In spite of stabilized prices for pork products, monthly average prices of butcher hogs at Chicago have varied more than \$2.00 per 100 pounds in the past 2 years, largely in response to changes in market supplies.

L I V E S T O C K A N D W O O L S I T U A T I O N

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Summary

Present indications point to a record slaughter of cattle, calves, and hogs, and a near record slaughter of sheep in 1944. Production of meat in 1944 may total about 25.5 billion pounds, dressed weight, compared with 24.2 billion pounds in 1943. Prices for all types of meat animals were lower during the first 3 months of 1944 than in 1943, and except for sheep and lambs, prices probably will average somewhat lower this year than last, partly because of the larger slaughter.

Meat production in 1943, totaling 24.2 billion pounds, dressed weight, consisted approximately of 8.5 billion pounds of beef; 1.1 billion pounds of veal; 13.4 billion pounds of pork; and 1.1 billion pounds of lamb and mutton. Beef production was 3 percent smaller than in 1942, veal production was about the same, lamb and mutton production was 6 percent greater, and pork production was up 25 percent. Output of both beef and veal in 1944 is expected to exceed the 1943 output by about 10 percent, pork output may be up 3 percent, but production of lamb and mutton, which represents only a small part of the total meat supply, may be down about 15 percent.

Per capita civilian meat consumption in 1943 is estimated to have been 137 pounds, dressed weight, about the same as in 1942 but slightly lower than

in 1940 and 1941. Except for the 5 years, 1928-32, beef consumption of 50 pounds per person in 1943 was the lowest since 1899, the first year for which consumption data are available. On the other hand, pork consumption totaling 73 pounds per person in 1943, was exceeded only in 4 years since 1899.

The number of cattle on feed for market in the 11 Corn Belt States on April 1 was estimated to be 23 percent less than on that date last year, and probably was the smallest in at least 6 years. Cattle feeding operations have been less profitable this year than last. Despite the reduction in the number of cattle in feed lots, a record number of cattle is on farms in the Corn Belt and slaughter of cattle probably will continue to exceed that of last year through the remainder of the year.

The early spring lamb crop is reported to be in below average condition and much below the condition of a year ago. This is due to the poor condition of ranges in California, the principal early lamb State. In other early lamb States the condition of lambs is about average.

Early shorn wools of the new clip are being received by handlers for purchase by Commodity Credit Corporation. The 1944 purchase program, which was announced April 15, is similar to the 1943 program. Established wool dealers will continue to act as agents of Commodity Credit Corporation for the purchase and sale of domestic wool and the prices paid will again be current ceiling prices. As of April 1, 1944, the Commodity Credit Corporation had purchased 219 million pounds of shorn wool and 45 million pounds of pulled wool under the 1943 program.

Weekly average mill consumption of apparel wool in February 1944 was slightly higher than in January and was the highest since June 1943.

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Consumption of apparel wool reached a peak in March 1943 and then declined gradually through December. Consumption for the first 2 months of 1944 was at an annual rate of 605 million pounds, scoured basis, and was greater than the 1943 rate of consumption. Government orders have been substantially reduced but orders for civilian fabrics have increased.

-- April 19, 1944

OUTLOOK

Livestock Prices May be Slightly
Reduced in 1944 from 1943
Due to Large Slaughter
Supplies

The outlook for livestock prices in 1944 is still good despite the prospect of a record slaughter of cattle, calves, and hogs and a near record sheep slaughter during the year. However, except for sheep and lambs, prices in 1944 probably will not average as high as in 1943.

With the prospect for hog slaughter in 1944 to exceed 100 million head, hog prices probably will average less than in 1943. The average farm price for 1943 was \$13.70 compared with \$13.04 in 1942. Monthly average prices received by farmers for the first 3 months of the year have been \$1.25 to \$1.75 lower than during the same period in 1943 when prices were at the highest levels of the year. The support price for Good and Choice 200- to 270-pound barrows and gilts is on the basis of \$13.75 at Chicago through September 1944 and at \$12.50 for Good and Choice 200- to 240-pound barrows and gilts from October 1, 1944, to April 1, 1945. With the prospect of a continued large supply of hogs for slaughter in May and June, hog prices will probably remain at support levels. In July-September when the largest part of the 1943 fall pig crop has been marketed there may be a rise in price. In view of the anticipated smaller slaughter supplies of hogs in the last quarter this year compared with last, it is expected that hog prices will be maintained at levels above the reduced support price during that period.

Prices for cattle and calves in 1944 may be only slightly lower than in 1943. The average price received by farmers for beef cattle in 1943 was \$11.80 compared with \$10.62 in 1942. The average price received by farmers for veal calves in 1943 was \$13.50; in 1942 it was \$12.45. During the first 3 months of 1944 prices for both cattle and calves were lower than in the first 3 months of last year. This was due mainly to the increased slaughter supplies of cattle and calves during the first quarter of this year, better enforcement of ceiling prices on beef and veal, and a more even distribution of meat

under the rationing program. Also specific dollars-and-cents ceiling prices for veal are now in effect. There was a great deal of speculation in cattle last spring in anticipation of rising prices, but this condition no longer exists.

Sheep and lamb prices also were lower during the first quarter this year than last. This was due in part to a greater slaughter of sheep and lambs because of an earlier than usual marketing of fed lambs. The relatively small number of lambs now on feed, the poor development of the early spring lamb crop and prospect of a smaller lamb crop in 1944 probably will have a strengthening effect on lamb prices. The average price received by farmers for lambs in 1943 was \$12.90, in 1942 it was \$11.74. Average prices received by farmers for sheep were \$6.57 and \$5.78 in 1943 and 1942 respectively.

Meat Output to Establish New Record
in 1944

On the basis of information now available total meat production in 1943 is estimated at 24.2 billion pounds, up 11 percent from 1942, and the largest annual production on record. Production of meat under Federal inspection in 1943 was 9 percent larger than in 1942, and the estimated output of meat on farms was 10 percent larger. Output in commercial noninspected plants is estimated to have been 20 percent larger than in 1942, with increases in this category occurring for all classes of meat except lamb and mutton. Total beef production was 3 percent smaller in 1943 than in 1942, veal production was about the same, lamb and mutton was up 6 percent, while pork production showed a 25 percent increase.

Total meat production in 1944 probably will exceed 25 billion pounds and may be close to 25.5 billion pounds (dressed-weight basis), which would be about 5 percent more than in 1943.

Cattle and calf slaughter in 1944 is expected to be materially greater than the estimated 27.6 million head slaughtered in 1943. Cattle and calf slaughter was materially curtailed during the first 6 months of 1943 because of favorable feed and pasture conditions and the uncertainties accompanying meat rationing, price ceilings, and stabilization programs and payments. Government control over meat prices and distribution have now been in operation for some time, and marketings are likely to represent a more nearly normal proportion of the number on farms this year. Cattle and calf slaughter by slaughterers of all types apparently was about 15 percent greater during the first quarter of 1944 than for the same period last year.

Total hog slaughter in 1944 may exceed 100 million head compared with an estimated 95.3 million head slaughtered in 1943. Slaughter of hogs in the last quarter of the year will depend upon the size of the 1944 spring pig crop. On the basis of an indicated reduction in the spring pig crop, this year from last, hog slaughter would be less in the fourth quarter this year than last. Slaughter in the first three quarters of 1944 probably will exceed that of the first 9 months of 1943, reflecting the record-breaking pig crops of 1943. Marketings of the first quarter were heavy, and it is expected that

marketings will continue relatively large through September, at which time most of the hogs from the 1943 spring and fall crops will have been marketed.

Sheep and lamb slaughter in 1944 probably will be less than in 1943, reflecting the smaller numbers of sheep on farms, a 6-percent reduction in the early spring lamb crop, and a probable decrease in the late lamb crop. However, slaughter of ewes may again be large. A marked increase in such slaughter has occurred since May 1942. This is attributable in part to a smaller pasture acreage available for sheep and to a shortage of labor for handling sheep. Both dairy and beef cattle have been competing with sheep for available pasture land, the total of which has been reduced to provide additional acreage for field crops. A continued short labor supply, and a continued large number of cattle on farms may tend to cause a further reduction in ewe numbers and hence a relatively large slaughter of ewes during 1944.

Table 1.- Estimated livestock slaughter, average 1935-39, annual 1940-43, and forecast 1944

Item	Average 1935-39	1940	1941	1942 1/	1943 2/	1944 (fore- cast)
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
Cattle:						
Inspected	3/ 10,024	9,756	10,946	12,347	11,727	
Noninspected	4,455	4,644	4,916	5,047	4/ 5,416	
Farm	591	571	571	587	572	
Total	15,070	14,971	16,433	17,981	17,715	20,000
Calves:						
Inspected	5/ 5,765	5,359	5,461	5,760	5,209	
Noninspected	3,117	3,003	3,107	3,317	4/ 4,111	
Farm	804	728	684	625	594	
Total	9,686	9,090	9,252	9,702	9,914	11,500
Hogs:						
Inspected	34,262	50,398	46,520	53,897	63,431	
Noninspected	8,871	13,057	12,088	12,117	4/ 17,779	
Farm	13,656	14,155	12,789	12,463	14,063	
Total	56,789	77,610	71,397	78,477	95,273	101,000
Sheep and lambs:						
Inspected	17,486	17,351	18,125	21,625	23,363	
Noninspected	3,699	3,651	3,605	3,383	3,134	
Farm	624	581	582	578	576	
Total	21,809	21,583	22,312	25,586	27,073	23,000

1/ Revised.

2/ Preliminary.

3/ Includes 187,000 cattle in 1935 and 4,000 in 1936 slaughtered for Government account.

4/ Probably includes an indeterminable number of animals slaughtered on farms for nonfarmers and slaughtered by or for nonfarmers for their own use.

5/ Includes 39,000 calves slaughtered for Government account in 1935.

Table 2.- Estimated meat and lard production, average 1935-39, annual 1940-43, and forecast 1944

Item	Average 1935-39	1940	1941	1942 1/	1943 2/	1944 (fore- cast)
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Meat production (dressed weight)						
Beef:						
Inspected	3/ 4,847	4,971	5,739	6,347	5,970	
Noninspected	1,858	1,984	2,126	2,249	2,336	
Farm	231	227	227	235	230	
Total	6,936	7,182	8,092	8,831	8,536	9,450
Veal:						
Inspected	4/ 615	568	599	667	597	
Noninspected	335	328	354	399	475	
Farm	88	82	76	73	70	
Total	1,038	978	1,029	1,139	1,142	1,270
Pork, excluding lard:						
Inspected	4,584	6,614	6,345	7,562	9,308	
Noninspected	1,037	1,546	1,473	1,571	2,282	
Farm	1,716	1,798	1,629	1,590	1,781	
Total	7,337	9,958	9,447	10,723	13,371	13,800
Lamb and mutton:						
Inspected	696	702	750	880	958	
Noninspected	148	150	150	140	124	
Farm	27	25	25	25	25	
Total	871	877	925	1,045	1,107	940
Total meat, excluding lard:						
Inspected	10,742	12,855	13,433	15,456	16,833	
Noninspected	3,378	4,008	4,103	4,359	5,217	
Farm	2,062	2,132	1,957	1,923	2,106	
Total	16,182	18,995	19,493	21,738	24,156	25,460
Production of lard and rendered pork fat						
Lard:						
Inspected	944	1,527	1,526	1,724	2,080	
Noninspected	219	327	312	312	496	
Farm	467	489	443	433	485	
Total	1,630	2,343	2,281	2,469	3,061	3,250

1/ Revised.

2/ Preliminary.

3/ Includes an estimated 57 million pounds of beef produced under the emergency Government relief purchase program in 1935.

4/ Includes an estimated 5 million pounds of veal produced under the emergency Government relief purchase program in 1935.

Per Capita Civilian Meat
Consumption About 137
Pounds in 1943

More complete information than was available in January, when the first estimate of 1943 meat consumption was made, indicates that average civilian consumption of meat in the United States in 1943 was approximately 137 pounds per capita on a dressed-weight basis. This was about the same as civilian consumption in 1942, but was nearly 12 pounds greater than average per capita consumption for the years 1935-39.

Of the 137 pounds of meat taken by civilians in 1943, 73 pounds were pork, 50 pounds were beef, 8 pounds were veal, and 6 pounds were lamb and mutton. Consumption of pork exceeding 73 pounds occurred only in 1907, 1908, 1923, and 1924. On the other hand, except for the 5 years 1928-32, civilian consumption of beef in 1943 was at the lowest annual per capita rate since 1899 (the date for which statistics are first available on meat consumption). Production of beef in 1943 was higher than in any previous year except 1942, and the relatively small amount available to civilians reflects the large non-civilian use of beef -- mainly military -- for the year. Consumption of veal in 1943 was 8 pounds, approximately the same as in 1942 and the 1935-39 average. Lamb and mutton consumption in 1943 was about 6 pounds, nearly a pound less than in 1942 and slightly less than the average for 1935-39.

Table 3.- Estimated meat consumption per capita by civilians,
 average 1935-39, annual 1940-43

Commodity	Average 1935-39	1940	1941	1942	1943 1/
	Pounds	Pounds	Pounds	Pounds	Pounds
Beef	2/ 54.8	54.7	60.5	61.2	50.1
Veal	2/ 8.0	7.3	7.6	8.0	7.9
Lamb and mutton ...	6.7	6.6	6.8	7.1	6.3
Pork	56.1	72.4	66.5	61.5	72.9
Total	2/125.6	141.0	141.4	137.8	137.2

1/ Preliminary.

2/ Includes production from animals slaughtered under the Government relief purchase program in 1935.

Condition of the Early Lamb
Crop Much Below That
of a Year Ago

The condition of the early spring lamb crop on April 1 was below average and much below the reported condition a year earlier. This is due

entirely to the very poor ranges in California, the principal early lamb-producing State. In the other important early lamb States the condition of lambs was as good as or better than a year ago, and was average for that date.

In the Pacific Coast and adjoining States continued drought and cold held back the growth of range feed in March. In California, range feed is very short and the chances for much improvement, even with favorable weather, are limited. Only once in the last 13 years has the condition of early lambs in California been reported so low as this year. The proportion of early lambs that will reach usual slaughter condition is very low relative to other years. Few lambs were marketed in March. Because of the small proportion of the crop expected to reach slaughter condition, contracting of lambs for future delivery has been very limited. California spring lambs of slaughter type were selling at \$14.00 to \$15.00 per hundred pounds, f.o.b. country points, during the week ended April 15. Early born, "framey," Good, 65- to 70-pound feeder lambs, suitable for shipment to midwestern feed lots for a short feed in dry lot, were selling for \$10.75 to \$11.00, f.o.b. loading points. Feeding lambs of smaller size, weighing 55 to 62 pounds, more desirable for pasturing than for dry lot feeding, were selling for \$10.00 to \$10.50, f.o.b. shipping points. About a month ago only a very small part of the early lamb crop was expected to reach eastern and midwestern markets. It now looks like a sizable number of feeder lambs will be shipped to Corn Belt feed lots, the number depending upon the extent of available alfalfa and Ladino clover pastures on the Pacific Coast.

Number of Cattle on Feed 23 Percent
Less Than a Year Earlier

The number of cattle on feed for market in the 11 Corn Belt States on April 1 was about 23 percent less than the number on feed a year earlier. This number is 300,000 to 400,000 smaller than on April 1, 1943, and probably the smallest number in the last 6 years. Decreases occurred in all States except Wisconsin, with the largest relative decreases in Minnesota, Nebraska, Kansas, and South Dakota.

Table 4.- Number of cattle on feed in Corn Belt States, April 1, 1944,
as a percent of April 1, 1943

State	Percent	State	Percent
Ohio	80	Iowa	85
Indiana	77	Missouri	78
Illinois	80	South Dakota	75
Michigan	76	Nebraska	68
Wisconsin	103	Kansas	72
Minnesota	62	Corn Belt (weighted)	77

This decrease of 23 percent on April 1 compares with a decrease of 16 percent from a year earlier in the number on feed on January 1. The reduction in the number of cattle on feed reflects very heavy marketings of fed cattle during the first 3 months of 1944, and an apparent reduction in the number of cattle placed on feed during this period. Feeder cattle prices have not been as high this year as last. Prices of feeder steers at Kansas City rose from the lowest weekly average of the season \$10.55 for the week ended November 19, 1943, to the highest level of the season \$13.38 for the week ended March 17, 1944. Since that time until April 15 prices declined about 80 cents per 100 pounds. During the feeding year 1942-43, prices of feeder steers at Kansas City were at a low point of the season of \$11.51 for the week ended September 18, 1942, and rose to a high point of the season of \$14.86 for the week ended April 9, 1943. High prices for corn and hay have caused many cattle feeders to curtail their feeding operations this year in comparison with last year. A smaller supply, this year than last, of corn in relation to livestock numbers on Corn Belt farms is probably also partly responsible. Stocks of corn reported by feeders have been reduced from April 1, 1943, and are considerably smaller in relation to the total number of grain-consuming animals on farms than a year earlier.

An analysis by weight groups, of shipments of stocker and feeder cattle from four leading markets shows that the largest percentage reductions this year from last were in shipments of heavy feeders, especially those weighing over 900 pounds.

If cattle feeders' marketing intentions are borne out this year, the percentage of the cattle on feed April 1 in the Corn Belt that will be marketed in April-June this year will be the largest in at least 10 years.

The number of cattle on feed April 1 in States outside the Corn Belt was also materially reduced from last year. Marketings in January-March were greater than a year ago and replacements were much smaller.

RECENT DEVELOPMENTS

Hog Slaughter Sets March Record; Prices Drop in Early April

Hogs slaughter under Federal inspection in March totaled 7,165,000 head, exceeding the previous high for the month in 1928 by 2 million head. Slaughter, excluding that in war-duration plants, was 3 percent less than in February but, 52 percent more than in March last year. Federally inspected slaughter for the first quarter of this year totaled 21,458,000 head, 53 percent above last year in comparable plants. For the first 6 months of this marketing year (October-March) inspected slaughter of hogs was 35 percent above a year ago (after allowing for slaughter in Fulmer plants). Marketings continued unusually heavy for the first half of April.

After rising from support-price levels in mid-February, hog prices at Chicago declined sharply in early April, reflecting the unusually heavy marketings at that time, and the curtailment for a few weeks of War

Food Administration purchases of fresh pork. The average price of butcher hogs at Chicago for the week ended April 15 was \$13.77, compared with \$14.13 in mid-March, and \$15.07 for the week ended April 17, 1943. Prices of sows showed a similar decline. Marketings of heavy hogs were large during the week of April 10-15, in anticipation of a reduction in the price of heavy butcher hogs at the time of the termination on April 15 of the temporary support price for 270-to 330-pound barrows and gilts. There was a reduction in prices of hogs of these weights and unsold hogs were held over from the week of April 10-15 until the following week, when they were sold at sharply reduced prices.

Cattle and Calf Slaughter Increases in
March; Prices for Best Grades of
Slaughter Steers and Cows at
Highest Levels of the Year

Marketings of cattle and calves increased seasonally in March. Cattle slaughter under Federal inspection totaled 1,057,000 head in March, the largest on record for the month. If slaughter in war-duration plants is deducted, this was an increase of less than 1 percent over February and of 9 percent over March of last year. Slaughter of cattle under Federal inspection for the first 3 months this year reached 3,240,000 head, 15 percent more than for the same period in 1943 (after an allowance is made for Fulmer-plant slaughter). Inspected calf slaughter in March totaled 565,000 head, an increase of 27 percent over February and 36 percent over March 1943, after a correction has been made for slaughter in new plants. This number was the second largest on record for the month. Calf slaughter under Federal inspection for the first 3 months of this year totaled 1,473,000, an increase of 35 percent over last year for comparable plants. Both cattle and calf slaughter continued heavy throughout the first half of April.

Prices for Good and Medium steers and cows were at the highest levels of the season in mid-April. Weekly prices for Common slaughter steers and feeder steers averaged the highest for the season during the second and third weeks in March, but declined from that time until April 15. The average price of Good grade beef steers at Chicago for the week ended April 15 was \$15.42 compared with \$15.25 a month earlier and \$16.02 a year earlier.

Sheep and Lamb Slaughter Up in March;
Prices Steady

Sheep and lambs slaughtered under Federal inspection in March totaled 1,538,000 head, 2 percent above February, and 2 percent more than in March 1943 excluding slaughter in Fulmer plants. This number was the second largest on record for the month, March 1942 having a total of 1,669,000 head. The 3-month total for this year was 4,972,000, which was 5 percent above the same period in 1943.

Prices of ewes continue the steady rise which began in late November. Average price of Good and Choice ewes at Chicago for the week ended April 15 was \$9.18, compared with \$8.75 for the week ended March 18, and with \$8.75 for the week ended April 17, 1943. Weekly average prices for Good and Choice lambs at Chicago have been between \$16.00 and \$16.60 since

January 24. The average price for the week ended April 15 was \$16.57 compared with \$16.15 a month earlier and \$15.82 a year earlier.

Out-Movement of Meats from Storage Begins:
Meat Storage Crowded

During March there was a slight net reduction of 9 million pounds in over-all stocks of cured and frozen meats and offals in meat-packing plants and public warehouses. On April 1, total stocks of meats and offals were 1,247 million pounds compared with 1,256 million pounds a month earlier, and average April 1 stocks for the period 1939-43 of 814 million pounds. Slightly increased holdings of cured and frozen beef were more than offset by slightly decreased holdings of all other types of meat during March.

Stocks of lard and rendered pork fat increased in March by 66 million pounds, although lard has had a zero ration point value since March 3. Total stocks of lard and rendered pork fat in commercial cold-storage warehouses and meat-packing plants on April 1 were 427 million pounds compared with 362 million pounds on March 1, and an average of 205 million pounds on April 1 for the last 5 years.

The crowded condition of freezer space which has existed for the last few months has been eased somewhat. For the country as a whole 87 percent of the net piling freezer space in public cold-storage warehouses was occupied April 1, compared with an occupancy of 92 percent a month earlier and 61 percent on April 1, 1943. Cooler space in public cold-storage warehouses was 79 percent occupied on April 1, compared with 74 percent on March 1 and 61 percent on April 1, 1943. Statistics released for the first time as to the extent of use of freezer and cooler space in meat-packing plants show that 93 percent of the freezer space and 96 percent of the cooler space were occupied on April 1. Cooler and freezer space in packing plants in many States was reported to be 100 percent occupied; utilization of more than 95 percent of the storage space in States or groups of States on April 1 was very common.

WFA Reduces Beef Set-Aside

Federally inspected meat packers are now required to set aside a smaller part of their beef production for purchase by the armed forces and war services. Through an amendment to FDO-75.2, effective April 16, the set-aside percentage was reduced from 50 to 40 percent on all Choice, Good, Commercial, and Utility steer and heifer beef which meets Army specifications for carcass beef or frozen boneless beef. Steer carcasses must weight from 400 to 1,100 pounds and heifer carcasses between 350 and 650 pounds to meet Army specifications. The set-aside percentage for Kosher beef produced in the eastern seaboard area from Maryland to Maine (northern part of Zone 9) has been reduced from 35 to 30 percent. Meat packers will be required to bone 90 percent of their set-aside beef instead of the 80 percent previously required. Cutter and Canner beef is exempt from any set-aside beginning April 30. The set-aside on beef of this type has been 80 percent. Reductions in the amounts of beef to be reserved for Government purchase reflect the Government policy of accumulating stocks of food needed in the war effort during periods of peak production and then of decreasing purchases during periods of lower production.

THE WOOL SITUATION

1944 Wool Purchase Program Announced,
Provisions Similar to Those of 1943.

Early shorn wools of the new clip are being received by handlers for purchase by the Commodity Credit Corporation. The 1944 purchase program, details of which were announced April 15, is similar to the 1943 program. Established wool dealers will continue to act as agents of the Commodity Credit Corporation for the purchase and sale of domestic wools, and the prices paid by the Commodity Credit Corporation will again be current ceiling prices. The prices at which the Commodity Credit Corporation is buying and selling domestic wools are considerably higher than domestic prices of comparable foreign wools. The Government will purchase essentially the entire domestic clip in 1944. Under the program all domestic wool must be sold directly to agents of the Commodity Credit Corporation, with the following exceptions: (1) Country handlers may purchase for their own account lots of 3,000 pounds or less, provided such wool is later sold to the Commodity Credit Corporation. The net returns to country handlers on such wool will be limited to the official handling charges. (2) Shorn wool produced in 16 Atlantic Coast and Cotton Belt States may be sold without restriction. The quantity of wool produced in these States is about 1 percent of the total United States clip and is too small to support a specialized wool purchase program.

Under the Government purchase and sales program, selling prices for fine combing territory wool at Boston averaged \$1.19 a pound (scoured basis) in the first quarter of 1944 compared with \$1.18 for the entire year 1943 and \$1.19 in 1942. Prices of 3/8 blood territory combing wool averaged \$1.04 in the first quarter of 1944 compared with \$1.04 in 1943 and \$1.03 in 1942. Prices for domestic wools have been close to ceiling prices since ceilings were established in December 1941.

The wartime Government purchase of domestic wool was begun in April 1943 to maintain domestic production and to protect domestic growers from losses which they would incur if forced to sell their wool in competition with foreign wools, which are available at considerably lower prices. The program is on an annual basis. In addition to supporting prices for the domestic clip, the wool program is providing the domestic wool grower with valuable information on the grade, quality and shrinkage of his wool.

Unsold Stocks of 1943 Clip Relatively Large
at Opening of New Season April 1

The Commodity Credit Corporation purchased 219 million pounds of shorn wool and 45 million pounds of pulled wool from the beginning of the 1943 program through April 1, 1944. An additional 14 million pounds had been appraised but not yet purchased. Large purchases of 1943 shorn wools were made by mills and dealers before the Government purchase program went into effect on April 25, 1943. Production of shorn wool totaled 384 million pounds in 1943 and production of pulled wool totaled 64 million pounds.

The average appraisal value of greasy shorn wool purchased by the Commodity Credit Corporation from the beginning of the program through March 25, 1944, was 46 cents a pound (grease basis), which represents the approximate ceiling price. This value includes transportation, and appraisal and handling charges, which are deducted in determining the net price to growers. Such charges averaged 5 cents a pound (grease basis) for a sample of 103 million pounds of shorn wool from 20 Western and Central States. The estimated average price received by producers for wool in 1943 was 41.6 cents a pound compared with 40.1 cents in 1942 and 35.5 cents in 1941.

Sales of wool by the Commodity Credit Corporation totaled 87 million pounds as of April 1, 1944. The wool is sold to mills at ceiling prices. Unsold stocks on April 1 totaled 176 million pounds. About three-fourths of the stocks on hand April 1 were wools grading 60s and finer. Only a small part of the fine wools purchased by the Commodity Credit Corporation had been resold. The largest sales were wools grading 48s-50s and 56s-58s. About two-thirds of the purchases of these grades have been resold. Because of the wide spread between prices of domestic and foreign wools, little domestic wool was used in civilian fabrics in 1943. Most orders for fabrics for Army use have specified the use of domestic wool insofar as the required grades are available. These orders are the principal outlet for domestic wool at the present time.

Stocks of domestic wool held by the Commodity Credit Corporation at the beginning of the new marketing season (about April 1) were much larger than stocks of domestic wool reported by private dealers at the corresponding date of any recent year. Dealers' carry-over stocks averaged 52 million pounds for the 8 years 1936-43. At the beginning of the 1935 season, however, dealers' carry-over stocks of domestic wool totaled 171 million pounds.

Appraisals Provide State Data for 1943 Wools

Preliminary statistical data from the 1943 wool purchase program have been made available by the Commodity Credit Corporation in an analysis of a sample of 20,000 appraisal certificates covering wool produced in 20 Western and Central States. These States produced about 85 percent of the wool shorn in the United States in 1943. The report covers approximately one-third of the total wool shorn in these States, although the percentage varies widely from State to State. For some of the Western States the quantity included in the report amounted to more than half of the State production. In other States, particularly the Central States, the amount included in the report was small in relation to the State production.

The average shrinkage of greasy shorn wool in the sample was 61.4 percent for 11 Western range States. The average shrinkage of wools from Texas and South Dakota, which also produce wool under range conditions, was 57 percent. Average shrinkage of wools from the Central fleece wool States ranged from 47 percent in Illinois to 58 percent in Missouri and 62 percent in Oklahoma. Marketing costs, represented by deductions made from the appraisal value to cover transportation, appraisal, handling, etc. averaged 5.01 cents per pound of grease wool.

Differences in the State average prices on a clean basis are due in large part to the different proportion of the various grades produced in each State. Production in the Western range States is predominantly fine grades while the Central States produce a large proportion of medium grade wools.

Table 5.- Summary of data from a sample of appraisal certificates for greasy shorn wool purchased by the Commodity Credit Corporation in 20 Western and Central States, 1943

State	Commodity Credit Corporation sample						
	1943			Appraisal value	Average	Price per	
	pro-	Quantity:	Average	per pound, f.o.b.	deduction:	pound to	
	duction	included:	shrinkage:	Boston 1/	per pound:	grower	
				Clean	Greasy	(greasy) 2/	1/
	1,000 lb.	1,000 lb.	Percent	Dollars	Cents	Cents	Cents
Western range States:							
Arizona	4,331	191	63.4	1.15	40.37	5.26	35.11
California	22,375	1,881	56.8	1.09	46.21	6.66	40.34
Colorado	15,458	10,525	61.6	1.14	42.97	5.02	37.95
Idaho	14,814	1,512	57.5	1.10	45.51	5.69	39.82
Montana	30,945	13,397	57.8	1.18	48.82	5.38	43.44
Nevada	5,355	1,124	62.9	1.17	43.01	5.11	37.90
New Mexico	15,718	8,917	64.0	1.16	40.67	4.91	35.76
Oregon	10,471	2,489	61.9	1.14	42.47	5.25	37.22
Utah	20,718	8,946	62.8	1.15	42.30	5.29	37.01
Washington	4,934	1,186	64.5	1.12	38.70	5.11	33.59
Wyoming	32,997	7,360	64.0	1.17	41.70	5.07	36.63
South Dakota	15,473	6,569	56.0	1.11	48.42	5.05	43.37
Texas	80,713	34,423	57.1	1.11	47.62	4.37	43.25
Central States:							
Illinois	6,621	867	47.1	0.99	51.44	6.57	44.87
Iowa	10,704	195	54.2	1.00	43.06	6.75	36.31
Michigan	6,224	41	49.5	1.02	50.56	6.51	44.05
Minnesota	9,298	457	58.2	1.14	44.97	6.53	38.44
Missouri	10,711	2,737	51.6	1.04	48.69	6.88	41.81
North Dakota	8,406	4,481	52.0	1.03	48.78	5.09	43.69
Oklahoma	3,194	489	62.1	1.04	37.10	7.43	29.67
20 States:	329,460	107,787	58.9	1.13	45.65	5.01	40.66

Compiled from report of Commodity Credit Corporation, Preliminary Statistical Data on 1943 Wool Purchase Program.

1/ Weighted averages.

2/ Deduction covers cost of freight, trucking, handling, grading, if any, and appraisal charge.

Stockpile Sales Scheduled Through June 1

Auction sales for the disposal of some of the approximately 330 million pounds of foreign stockpile wool owned by the United States Government were begun in February. From February 17 through April 6 four series of auctions were held at Boston. A total of 67 million pounds of wool was offered at the four series, and 48 million pounds were sold. Demand was strong for most

South American wools, which were chiefly of medium grades, and 95 percent of such offerings were sold. Limited shipping facilities for importing South American wool, and relatively large use of medium grades of wool by mills probably account for the strong demand. Such wools constitute a relatively small part of the stockpile, and it is likely that they will soon be disposed of. The bulk of the stockpile is Australian wool. Offerings of Australian wools at the first four series totaled about 51 million pounds and 33 million pounds were sold. Additional auctions of stockpile wools have been scheduled through June 1 by the Defense Supplies Corporation. The sales will be held April 21, May 4, May 18, and June 1.

Table 6.- Foreign wools offered and sold at Boston by the Defense Supplies Corporation to April 6, 1943 :

Date of sale	Quantity offered				Quantity sold			
	Australian				Australian			
	: Scoured:	South	:		: Scoured:	South	:	
	: and	Amer-	Total		: and	Amer-	Total	
	: Greasy: carbon- ized :	ican :			: Greasy: carbon- ized :	ican :		
	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds	pounds	pounds	pounds
Feb. 17-18	22,469	2,312	4,507	29,288	15,921	1,251	4,258	21,430
Mar. 9	5,330	2,064	4,324	11,718	3,914	1,021	4,221	9,156
Mar. 23	7,734	971	3,825	12,530	4,965	232	3,506	8,703
Apr. 6	9,182	831	3,398	13,411	5,357	394	3,188	8,939
Total 4 sales :	44,715	6,108	16,054	66,877	30,157	2,898	15,173	48,228

Mill Consumption Up Sharply
In First 2 Months of 1944

Mill consumption of apparel wool averaged 11.7 million pounds a week (scoured basis) in February compared with 11.6 million pounds in January and 12.3 million pounds in February 1943. The February rate of consumption was the highest since June 1943. Consumption of apparel wool reached a peak of 12.7 million pounds a week in March 1943 and then declined gradually through December. The February 1944 consumption was at an annual rate of 605 million pounds and exceeded the record 1943 rate of consumption. Although consumption of domestic wool increased slightly in January and February the use of domestic wool was still relatively small. Use of foreign wool reached a new high in February. The February consumption of domestic wool averaged 2.7 million pounds a week (scoured basis) this year compared with 5.8 million pounds in 1943 and 4.5 million pounds in 1942. Consumption of foreign wool averaged 9 million pounds a week (scoured basis) in February this year and 6.6 million pounds in February 1943. Mill consumption of domestic wool was large in the early months of 1943 when mills were delivering large quantities of Army fabrics which called for the use of such wool. With the shift from military to civilian fabrics in the latter part of 1943, mills shifted to the use of foreign wools, as large quantities of foreign wools were available at considerably lower prices.

Mill consumption is expected to continue relatively large during most of 1944 but it probably will be smaller than the record 1943 consumption of 592 million pounds (scoured basis). Mills' unfilled orders for wool cloth at the beginning of 1944 were smaller than at the beginning of either 1942 or 1943. Government orders have been substantially reduced. Although civilian orders have increased the increase has not been large enough to offset the decline in military orders. Incomes of consumers are large enough to support a civilian consumption much above the present level but mills have limited acceptance of new orders, due chiefly to the difficulty of obtaining additional labor. The shift from heavy weight military fabrics to civilian fabrics will also tend to reduce the consumption of raw wool in 1944, as civilian fabrics use a smaller quantity of wool per yard than most military fabrics. Government orders probably will continue at a reduced level in 1944.

Table 7.- Wool cloth: Unfilled orders reported by 101 mills, United States, selected dates, 1938-43

Date	Government	Civilian		Total
		Men's wear	Women's wear	
	1,000 linear yards	1,000 linear yards	1,000 linear yards	1,000 linear yards
Beginning of year --				
1938	3,944	10,924	6,043	20,911
1939	844	24,456	8,951	34,251
1940	1,376	23,438	9,204	34,018
1941	28,457	25,799	11,403	65,659
1942	54,126	34,189	12,470	100,785
1943 quarterly --				
Jan. 2	58,336	18,732	9,777	96,845
Mar. 27	43,273	28,059	10,732	82,064
June 26	60,151	27,239	15,016	102,406
Oct. 2	34,511	39,257	19,797	93,565
1944 --				
Jan. 1	23,163	36,162	20,006	79,331

Compiled from Monthly Statistics of Wool Manufacture published by the National Association of Wool Manufacturers. Statistics are for 101 mills, and for cloth containing over 25 percent of yarns spun on the woolen and worsted system. Cloth less than 50 inches wide is reported in equivalent 54-inch yardage.

Livestock: Marketings and slaughter statistics, by species,
March 1944, with comparisons

Item	Unit	Annual totals			1943		1944	
		1941	1942	1943	Mar.	Feb.	Mar.	
<u>Cattle and calves</u> -	:	:	:	:	:	:	:	:
Number slaughtered under	:	:	:	:	:	:	:	:
Federal inspection:	:	:	:	:	:	:	:	:
Steers	Thous.	5,459	6,019	5,737	503	537		
Cows and heifers	"	4,992	5,854	5,516	391	472		
All cattle	"	10,946	12,347	11,727	923	1,043	1,057	
Percentage cows and heifers	:	:	:	:	:	:	:	:
are of total cattle	Pct.	45.6	47.4	47.0	42.4	45.3		
Calves	Thous.	5,461	5,760	5,209	410	441	565	
Average live weight:	:	:	:	:	:	:	:	:
Cattle	Lb.	961	954	955	980	979		
Calves	"	196	208	207	164	170		
Total dressed weight:	:	:	:	:	:	:	:	:
Cattle	Mil. lb.	5,739	6,347	5,970	496	543		
Calves	"	599	667	597	38	42		
Shipments of feeder cattle and	:	:	:	:	:	:	:	:
calves to eight Corn Belt	:	:	:	:	:	:	:	:
States 1/	Thous.	2,395	2,564	2,363	138	71	73	
<u>Hogs</u> -	:	:	:	:	:	:	:	:
Number slaughtered under	:	:	:	:	:	:	:	:
Federal inspection	"	46,520	53,897	63,431	4,661	7,380	7,165	
Average live weight	Lb.	241	245	254	253	247		
Percentage packing sows are of	:	:	:	:	:	:	:	:
all purchases at seven markets:	Pct.	11	13	15	5	6	5	
Total production under	:	:	:	:	:	:	:	:
Federal inspection:	:	:	:	:	:	:	:	:
Pork	Mil. lb.	6,345	7,562	9,308	704	1,018		
Lard 2/	"	1,526	1,724	2,080	136	259		
Average yield per hog:	:	:	:	:	:	:	:	:
Pork	Lb.	136.8	140.6	147.1	151.3	138.2		
Lard 2/	"	32.9	32.1	32.9	29.3	35.2		
Storage stocks end of month:	:	:	:	:	:	:	:	:
Pork	Mil. lb.	---	---	---	592	792	3/ 785	
Lard 2/	"	---	---	---	128	362	3/ 427	
<u>Sheep and lambs</u> -	:	:	:	:	:	:	:	:
Number slaughtered under	:	:	:	:	:	:	:	:
Federal inspection	Thous.	18,125	21,625	23,363	1,495	1,501	1,538	
Average live weight	Lb.	88	89	91	95	94		
Total dressed weight	Mil. lb.	750	880	958	65	64		
Shipments of feeder lambs to	:	:	:	:	:	:	:	:
eight Corn Belt States 1/	Thous.	3,689	3,980	4,240	221	99	94	
<u>Total dressed weight of live-</u>	:	:	:	:	:	:	:	:
<u>stock slaughtered under</u>	:	:	:	:	:	:	:	:
<u>Federal inspection</u>	Mil. lb.	15,523	17,821	19,686	1,490	2,021		

1/ Total shipments direct and from public stockyards to Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, and Nebraska.

2/ Including rendered pork fat.

3/ Preliminary.

Livestock prices per 100 pounds (except where noted), by species,
March 1944, with comparisons

Item	1943		Mar.		1944		
	annual		1942		Jan.	Feb.	Mar.
	aver-		average				
	age	1932-41					
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Cattle and calves -							
Beef steers sold out of first:							
hands at Chicago:							
Choice and Prime	16.23	10.56	14.71	16.98	16.35	16.41	16.37
Good	15.34	9.07	13.03	15.92	15.00	15.12	15.23
Medium	14.01	7.79	11.24	14.61	12.94	13.44	13.59
Common	11.66	6.74	9.66	12.91	10.84	11.53	12.02
All grades	15.30	8.63	12.59	15.54	14.82	14.91	15.12
Good grade cows at Chicago ..	12.98	6.16	9.59	13.99	12.00	12.54	13.01
Vealers, Good and Choice at :							
Chicago	15.18	8.40	14.41	16.56	14.25	14.19	14.55
Stocker and feeder steers at :							
Kansas City	12.35	7.34	11.47	14.49	11.60	12.95	13.06
Average price paid by							
packers:							
All cattle	12.22	6.63	10.53	13.60	11.43	12.14	
Steers	1/	1/	11.85	14.85	13.50	13.91	
Calves	12.28	7.35	12.29	14.43	11.88	12.61	
Hogs -							
Average market price at							
Chicago:							
Barrows and gilts	14.49	1/	13.42	15.61	13.51	13.64	13.98
Sows	13.71	1/	12.93	15.38	11.96	12.55	13.55
All purchases	14.31	7.12	13.37	15.59	13.21	13.50	13.94
Average price paid by packers:	14.11	7.02	13.23	15.26	12.98	13.24	
Average price No. 3 Yellow							
corn at Chicago 2/	104.6	59.7	81.7	100.8	114.2	114.6	3/ 115.5
Hog-corn price ratio at							
Chicago 4/	13.7	12.5	16.4	15.5	11.6	11.8	12.1
Sheep and lambs -							
Slaughter lambs, Good and							
Choice grade at Chicago	14.95	9.04	12.03	16.16	15.52	16.32	16.28
Feeding lambs, Good and							
Choice grade at Omaha	13.22	7.73	10.92	14.91	12.50	13.27	13.25
Ewes, Good and Choice grade							
at Chicago	7.44	5.02	7.26	8.67	7.73	8.50	8.83
Average price paid by packers:							
for sheep and lambs	12.20	8.60	11.39	15.08	13.27	14.53	
Index retail meat prices 5/	115.0	77.8	103.6	118.1	112.6	112.2	
Index income of industrial							
workers 6/	239	73	168	231	248		

1/ Not available. 2/ Cents per bushel. 3/ Represents ceiling price. 4/ Number of bushels of corn equivalent in value to 100 pounds of live hogs. 5/ Bureau of Labor Statistics, converted to 1924-29 base. 6/ Bureau of Agricultural Economics, 1924-29 = 100. Revised March 1943.

Wool: Weekly average mill consumption and hours of machine operation,
United States, selected periods 1942-44

Item	Year		1943		1944	
	1942	1943	Jan. 1/	Feb. 2/	Jan. 2/	Feb. 2/
	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.	1,000 lb.
Mill consumption						
Grease basis 3/						
Apparel wool -						
Domestic	10,399	8,278	12,145	12,177	5,815	5,591
Foreign	10,318	12,134	8,962	10,650	14,238	14,562
Total	20,717	20,412	21,107	22,827	20,053	20,153
Carpet wool	1,170	841	742	996	1,061	1,013
Scoured basis -						
Apparel wool -						
Domestic	4,702	3,915	5,667	5,767	2,818	2,707
Foreign	6,288	7,467	5,565	6,563	8,739	9,016
Total	10,990	11,382	11,232	12,330	11,557	11,723
Carpet wool	845	620	533	736	782	754
	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.
	hours	hours	hours	hours	hours	hours
Machine activity						
Hours operated per week -						
Worsted combs	228	212	206	217	206	206
Worsted spindles	114,022	112,121	112,922	119,015	115,020	115,112
Woolen spindles -						
Woolen mills	108,415	109,148	108,866	116,573	109,973	109,509
Knitting mills	7,372	7,467	7,590	8,271	7,507	7,547
Carpet mills	7,075	7,998	7,664	8,638	8,194	8,359
Woolen worsted looms ..	2,813	2,730	2,798	2,970	2,656	2,710
Carpet looms	278	289	333	355	226	226
On regular work	4/	94	103	106	100	95
On blankets	4/	32	26	27	35	35
On cotton fabrics ..	4/	163	204	222	91	96

Compiled from reports of the Bureau of the Census.

1/ 5-week period.

2/ 4-week period.

3/ Total of shorn and pulled wool. Pulled wool is in condition received from pulleries and is partly washed.

4/ Not separately reported.

Prices per pound of wool and other textile raw materials in
the United States, selected periods, 1941-44

Item	Average			1943		1944	
	1941	1942	1943	Mar.	Jan.	Feb.	Mar.
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Boston market -							
Territory, scoured basis -							
64s, 70s, 80s (fine) staple							
combing	108.8	119.1	117.8	119.0	119.0	119.0	119.0
56s, (3/8 blood) combing	91.2	102.6	104.2	103.5	104.5	104.5	104.5
46s (low 1/4 blood)	82.3	90.7	93.7	94.0	92.0	92.0	92.0
Bright fleece, greasy -							
64s, 70s, 80s (fine) delaine ..	43.1	47.2	46.9	47.0	47.0	47.0	47.0
56s (3/8 blood) combing	46.8	51.8	54.2	54.0	54.5	54.5	54.5
46s (low 1/4 blood)	46.5	49.8	52.0	51.5	53.5	53.5	53.5
Foreign wool - in bond at							
Boston 1/ -							
Sydney - scoured basis -							
64s, 70s, good combing	72.7	78.1	76.5	76.5	76.5	76.5	76.5
Cape - scoured basis -							
12 months, combing	70.9	75.6	75.5	75.5	75.5	75.5	75.5
Montevideo - grease basis -							
Merinos (60-64s)	40.4	43.0	41.4	40.7	39.8	40.5	40.5
1s (56s)	38.6	42.5	41.4	40.7	39.8	40.5	40.5
Prices received by farmers,							
grease basis, 15th of month	35.5	40.1	41.6	41.7	40.2	39.5	39.0
Textile fibers:							
Wool, territory fine staple 2/ ..	108.8	119.1	117.8	119.0	119.0	119.0	119.0
Cotton, 15/16-inch Middling 3/ ..	13.9	19.3	20.6	21.2	20.2	20.8	21.1
Rayon yarn, 150 denier 4/	53.6	55.0	55.0	55.0	55.0	55.0	55.0
Rayon staple fiber 5/							
Viscose 1-1/2 denier	25.0	25.0	25.0	25.0	25.0	25.0	6/
Acetate 5 denier	43.0	43.0	43.0	43.0	43.0	43.0	43.0

Compiled from reports of the War Food Administration except as otherwise noted.

1/ Before payment of duty. Compiled from The Commercial Bulletin, Boston.

2/ Scoured basis, Boston market.

3/ Average at 10 markets.

4/ Domestic yarn, first quality, Bureau of Labor Statistics.

5/ F.o.b. producing plants, Bureau of Labor Statistics.

6/ Not available.

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